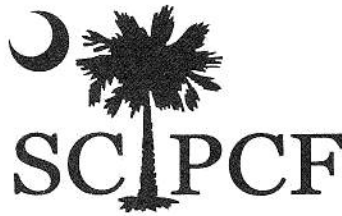


James E. Mercer, DDS  
Chairman of the Board



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South Carolina Medical Malpractice Patients' Compensation Fund

August 27, 2007

The Honorable Mark Sanford  
South Carolina State House  
Post Office Box 11829  
Columbia, SC 29211

Re: Patients' Compensation Fund 2008/2009 Budget

Dear Governor Sanford:

Please allow this letter to serve as replacement to our Budget Worksheet for the 2009 fiscal year. The South Carolina Medical Malpractice Patients' Compensation Fund will not be requesting any general funds for this fiscal year. Furthermore, we will not be requesting authorization for any additional FTEs. Our total count of Full Time Employees is five (5).

If any additional information is needed please contact me immediately.

Very truly yours,

Terry A. Coston, SCLA  
Executive Director

## FY 2008-09 COST SAVINGS & ACTIVITY PRIORITY ADDENDUM

### I. PRIORITY ASSESSMENT OF ACTIVITIES – HIGHEST PRIORITIES

A. Agency Section/Code/Name: SC Medical Malpractice Patients' Compensation Fund – R14

B.

<b>Priority Assessment of Activities – Highest Priorities</b>	<b>General</b>	<b>Federal</b>	<b>Supplemental</b>	<b>Capital Reserve</b>	<b>Other</b>	<b>Total</b>	<b>FTEs</b>
Activity Number & Name: 1330 Administration	0	0	0	0	\$99,880	\$99,880	5
Activity Number & Name: 1327 Membership Services	0	0	0	0	0	\$ 0	0
Activity Number & Name: 1328 Risk Management	0	0	0	0	0	\$ 0	0
Activity Number & Name: 1329 Claims Services	0	0	0	0	0	\$ 0	0
Activity Number & Name: 1331 Contract Services	0	0	0	0	0	\$ 0	0
<b>TOTAL OF HIGHEST PRIORITIES</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 99,880</b>	<b>\$99,880</b>	<b>5.00</b>

## FY 2008-09 ACTIVITY PRIORITY ADDENDUM

### II. PRIORITY ASSESSMENT OF ACTIVITIES – LOWEST PRIORITIES

- A. Agency Section/Code/Name: R14 SC Medical Malpractice Patients' Compensation Fund 38-79-410
- B. Agency Activity Number and Name: 1330 Administration
- C. Explanation of Lowest Priority Status: Re-evaluation of spending from prior years to adjust 09 Budget
- D. Estimate of Savings: 99,880.00

Estimate of Savings:	General	Federal	Supplemental	Capital Reserve	Other	Total
<b>Personnel:</b>						
(a) Number of FTEs	0	0	0	0	5	5.00
(b) Personal Service	0		0	0	0	\$ 0
(c) Employer Contributions	0		0	0	0	\$ 0
Program/Case Services	0	0	0	0	0	\$ 0
Pass-Through Funds	0	0	0	0	0	\$ 0
Other Operating Expenses	0	0	0	0	99,880	\$ 99,880
<b>Total</b>	\$ 0	\$ 0	\$ 0	\$ 0	\$ 99,880	\$ 99,880

E. Activity Impact (*Describe the impact on the activity affected including the impact on customers and clients.*):  
 The reduction of administrative (Operating Expenses) costs would have no impact on the continued service to the healthcare providers of the state who support our membership base. The PCF provides and will continue to provide excellent customer service to our members.

F.

Summary of Priority Assessment of Activities – Lowest Priorities	General	Federal	Supplemental	Capital Reserve	Other	Total	FTEs
Activity Number & Name: 1330 Administration	0	0	0	0	99,880	\$ 99,880	5
Activity Number & Name: 1327 Membership Services	0	0	0	0	0	\$ 0	0
Activity Number & Name: 1328 Risk Management	0	0	0	0	0	\$ 0	0
Activity Number & Name: 1329 Claims Services	0	0	0	0	0	\$ 0	0
Activity Number & Name: 1331 Contract Services	0	0	0	0	0	\$ 0	0
<b>TOTAL OF LOWEST PRIORITIES</b>	\$ 0	\$ 0	\$ 0	\$ 0	\$99,880	\$99,880	5.00